

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



April 15, 2003

The Honorable Anthony A. Williams
Mayor
District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 600
Washington, D.C. 20004

RE: SIGNIFICANT ACTIVITY REPORT

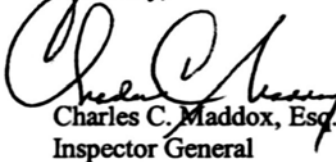
Dear Mayor Williams:

This report is to inform you of the outcome of an investigation conducted by Special Agent Atonia Cassidy and former Special Agent Sean Currie of this Office concerning Terence Coles, a former Special Assistant to the Secretary of the District of Columbia. Coles fraudulently obtained \$20,000 from the District of Columbia Escheated Estates Fund (EEF) through two fictitious non-profit organizations. He conspired with a former Merrill Lynch employee who prepared the fraudulent applications for the fictitious organizations. Based on recommendations from Coles, these applications were each approved for \$10,000 grants by the EEF Committee.

On March 31, 2003, a federal jury convicted Coles on charges of conspiracy, fraud, bribery and receiving stolen property in connection with this scheme to defraud the District of Columbia. The Honorable Paul L. Friedman, United States District Court for the District of Columbia, has scheduled Coles' sentencing for June 17, 2003. Coles faces up to fifteen years in prison, a \$250,000 fine and a restitution order.

If you need additional information, please contact me or Robert G. Andary, Assistant Inspector General for Investigations, on (202) 727-1039.

Sincerely,



Charles C. Maddox, Esq.
Inspector General

CCM/ac